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CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. $_^{8513}$

A RESOLUTION determining the anticipated shortfall in revenues for providing municipal services to the Eastgate Annexation Area, continuing the sales and use tax rate established by Ordinance 6045, as amended, pursuant to the authority in RCW 82.14.415; and establishing an effective date.

WHEREAS, the City annexed the Eastgate and Tamara Hills South Bellevue Potential Annexation Areas (PAA) (the "Eastgate Annexation Area") with an estimated combined population threshold of at least four thousand effective June 1, 2012; and

WHEREAS, RCW 82.14.415 allows the City, under the circumstances of this annexation, to impose a sales and use tax as authorized, with that tax being a credit against the state sales and use tax; and

WHEREAS, the City Council adopted Ordinance 6045, as amended by Ordinance 6063, establishing a sales and use tax in the amount of one tenth of one percent (0.1%); and

WHEREAS, RCW 82.14.415 requires the City to provide the Washington State Department of Revenue (DOR) with an estimate of the anticipated shortfall, or "threshold amount" in the Eastgate Annexation Area for the state fiscal year of July 1, 2013 to June 30, 2014 by no later than March 1, 2013; and

WHEREAS, the City Council finds and determines that the projected cost to provide municipal services to the Eastgate Annexation Area for the period July 1, 2013 through June 30, 2014 is estimated to be \$3,036,000 while projected general revenue from the Eastgate Annexation Area is projected to be \$1,980,000; and

WHEREAS, the City Council finds and determines that the projected cost to provide municipal services to the Eastgate Annexation Area exceeds the projected general revenue that the City would receive from the Eastgate Annexation Area by \$1,056,000; and

WHEREAS, the effective date of annexation of the Eastgate Annexation Area was June 1, 2012 and the City of Bellevue has yet to receive a full fiscal year's annexation sales tax credit as of the date of this Resolution, therefore the certification of actual costs for the period July 1, 2012 through June 30, 2013 will occur in the notification occurring March 1, 2014; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

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Section 1. The Bellevue City Council determines that the City's projected threshold amount for the Eastgate Annexation Area is \$1,056,000 for the fiscal year July 1, 2013 through June 30, 2014. The City Council previously imposed a sales and use tax at the rate of one tenth of one percent (0.1%) by Ordinance 6045, as amended by Ordinance 6063.

Section 2. The City Manager or his designee is hereby authorized to provide all required notices to the State Department of Revenue and take such other steps as necessary to carry out the provisions of this Resolution.

2013.

(SEAL)

Conrad Lee, Mayor

Attest: